# GOVERNMENT OF INDIA
# COAL
# LOK SABHA

STARRED QUESTION NO:407
ANSWERED ON:30.03.2017
Revision of Royalty Rates on Coal
Pradhan Shri Nagendra Kumar;Tarai Smt. Rita

**Will the Minister of COAL be pleased to state:**

(a) whether the Study Group constituted by the Government to consider the revision of royalty rates on coal has submitted its report to the Government and if so, the details thereof

(b) whether the Government proposes to enhance the rate of royalty on coal;

(c) if so, the details thereof and the time by which the decision is likely to be taken in this regard; and

(d) whether the royalty proposed to be revised is commensurate with cess so as to benefit the coal bearing States which bear the brunt of environmental degradation on account of coal mining and if so, the details thereof?

## Answer

MINISTER OF STATE (IC) IN THE MINISTRY OF COAL, POWER, NEW & RENEWABLE ENERGY AND MINES

(SHRI PIYUSH GOYAL)

(a) to (d): A statement is laid on the Table of the House.

Statement referred to in reply to LS Starred Question no. 407 for 30.03.2017

(a) to (d) :-

The Study Group, constituted to consider the revision of rate of royalty has submitted its report and the same is under consideration of the Government.

For the benefit of the people of the districts where mining takes place, Government has amended the Mines and Minerals (Development & Regulations) Act, 1957 in January, 2015 and introduced Section 9 B which provides for establishment of District Mineral Foundation (DMF). Government has prescribed an amount equivalent to 30% of royalty for old mines and 10% of royalty for new mines to be paid by the holder of a mining lease to DMF.

Government has also framed a scheme namely Pradhan Mantri Khanij Kshetra Kalyan Yojana (PMKKKY) for the socio-economic development of the areas & districts where mining takes place utilizing this fund.

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